

JAN 24 2019

A BILL FOR AN ACT

RELATING TO HEALTH.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Act 139, Session Laws of Hawaii 2016, amended
2 section 323D-18.5, Hawaii Revised Statutes, to facilitate
3 greater transparency in the healthcare sector and improve
4 understanding of healthcare costs, healthcare system quality,
5 population health conditions, and healthcare disparities by
6 authorizing the submission of health claims and administrative
7 data from the employer-union health benefits trust fund and the
8 state medicaid agency, and the acquisition of Medicare data sets
9 specific to Hawaii. The state health planning and development
10 agency, through its designee the pacific health informatics and
11 data center at the University of Hawaii, and with the
12 collaboration of multiple state departments and agencies, has
13 initiated phase one of establishing the Hawaii Health Data
14 Center, an all-payer claims database for the State, focusing on
15 government as payer data.

16 The data authorized by Act 139 Session Laws of Hawaii 2016
17 provided some information. Now the database must fill data gaps

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1 within populations and add new data sources. As stated in the
2 article, *The Promise of Data-Driven Policymaking* by Daniel Etsy
3 and Reece Rushing, "Policymaking, as it currently stands, can be
4 like driving through a dense fog in the middle of the night.
5 Large data gaps make it difficult to see problems clearly and
6 chart a course forward."

7 Currently the state health planning and development agency
8 has identified a large gap missing from the Hawaii senior
9 population data, the Medicare Advantage data (Medicare Part C).
10 The state health planning and development agency, through its
11 designee, has acquired administrative and health claims data for
12 Medicare Parts A, B, and D. To assure a more complete picture
13 of health care costs and services utilization by Hawaii's senior
14 population, and to provide better, more comprehensive analysis
15 and information, it is necessary to require the submission of
16 Medicare Advantage health claims and administrative data.

17 According to the department of business, economic
18 development & tourism's *DBEDT 2045 Series Report*, Hawaii's
19 senior population, age 65 and over, is the only population
20 projected to increase in size between 2016 and 2045, from 17.1
21 per cent to 23.8 per cent of total population.

22 The state health planning and development agency recognizes
23 that the need for a complete and robust Medicare data set is

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essential to effectively plan and prepare for the approaching "Silver Tsunami" and the accompanying increase in medical expenditures by both the state and federal government.

SECTION 2. Section 323D-18.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Providers of health insurance subject to this subsection shall submit administrative data as follows:

(1) Beginning November 1, 2016, providers of health insurance that provide health [+]benefits[+] plans funded by the Hawaii employer-union health benefits trust fund, the state medicaid agency, or both, shall provide to the state agency, or its designee, administrative data required by the state agency to determine health benefits costs, including health care services claims and payment data regarding beneficiaries of health benefits plans funded by the Hawaii employer-union health benefits trust fund, the state medicaid agency, or both[-] and

(2) Beginning January 1, 2019, providers of health insurance that provide Medicare Advantage (Medicare Part C) health benefits plans to residents of the State shall provide to the state agency, or its designee, administrative data required by the state

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agency to determine health benefits costs, including
health care services claims and payment data."

SECTION 3. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY:

BY REQUEST

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Report Title:

Department of Health; State Health Planning and Development
Agency

Description:

Authorizes State Health Planning and Development Agency to
mandate the submission of Medicare Advantage (Medicare Part C)
administrative data and healthcare services claims.

*The summary description of legislation appearing on this page is for informational purposes only and is
not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: HEALTH

TITLE: A BILL FOR AN ACT RELATING TO HEALTH DATA.

PURPOSE: The purpose of this bill is to specify that Medicare Part C data shall be provided to the Department of Health by private insurers upon request for inclusion into the Hawaii Health Data Center.

MEANS: Amend section 323D-18.5(b), Hawaii Revised Statutes (HRS).

JUSTIFICATION: The Hawaii Health Data Center collects and stores health care claims data for analysis in support of health policy. The Department of Health is authorized to request data for beneficiaries of the Employer Union Trust Fund and Medicaid, the two largest groups of insured individuals in the State. The addition of Medicare Part C data will augment the State's ability to analyze health care cost drivers, particularly for older adults, who are generally higher utilizers of health care.

Impact on the public: The inclusion of Medicare Part C data may improve health care finance and care coordination activities in the State.

Impact on the department and other agencies: State agencies such as the Department of Health, Department of Human Services, Department of Commerce and Consumer Affairs, Department of Budget and Finance, and the University of Hawaii will benefit from health care cost and utilization information previously unavailable to them for policy making and regulatory purposes.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: HTH 906.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.